

Exhibit S
to the Declaration of Lisa J. Cisneros
in Support of Plaintiffs' Opposition
Briefs

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE)
ANTITRUST LITIGATION)
) No. 11-CV-2509-LHK

THIS DOCUMENT RELATES TO:)
ALL ACTIONS.)

_____)

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VIDEO DEPOSITION OF BOB MANSFIELD

April 11, 2013

REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR

09:43:32 1 levels.

09:43:33 2 Q. Okay. So let me go back through that a little
09:43:36 3 bit. With respect to the -- I guess the guidelines with
09:43:40 4 respect to the focal process, you talked about the
09:43:44 5 ability to do -- get their work done on time, other kind
09:43:48 6 of -- maybe qualitative criteria. Are --

09:43:57 7 A. I think we try to make -- we try to make most
09:43:59 8 of them, I think, more quantitative in the sense that
09:44:04 9 results produced, we try to make a very objective, you
09:44:08 10 know, kind of assessment.

09:44:10 11 Q. As part of your job, though, is it -- do you
09:44:15 12 rate or evaluate the people that report to you against
09:44:20 13 those guidelines or criteria?

09:44:23 14 A. That comes in two parts. There are people who
09:44:26 15 directly report to me.

09:44:27 16 Q. Right.

09:44:28 17 A. And I do that -- for the people who directly
09:44:31 18 report to me, I directly evaluate them. For the people
09:44:36 19 who report -- in my -- in my team, I have managers and
09:44:41 20 they manage managers and they manage other people. So
09:44:44 21 there is a couple of lines of management between me and
09:44:47 22 a larger group of people.

09:44:50 23 In that -- in that case, what I do is look at
09:44:55 24 cases and evaluate the consistency of the work done from
09:45:00 25 management team to management team.

09:45:01 1 Q. Okay.

09:45:01 2 A. To make sure that what one manager might think
09:45:04 3 is the right interpretation of results and all is
09:45:09 4 consistent with what other groups might think.

09:45:13 5 Q. Are the employees that you supervised as part
09:45:20 6 of the focal process categorized or put into different
09:45:24 7 groups based on their performance? For example, some
09:45:27 8 kind of ranking from low to high, or maybe intermediate
09:45:32 9 stages, along that kind of continuum?

09:45:35 10 A. Yes. There are -- there are sort of -- what's
09:45:38 11 the right way to put it? Evaluation labels; like
09:45:43 12 satisfactory performance or exceeds performance or
09:45:46 13 exceptional. I mean, it's degrees of descriptors for
09:45:53 14 that.

09:45:54 15 Q. As part of the focal process is everybody that
09:45:58 16 you supervise put into one of those --

09:46:00 17 A. Yes.

09:46:00 18 Q. -- categories?

09:46:01 19 A. Yes.

09:46:03 20 Q. And is it part of what your managers do to
09:46:07 21 rank the people that are their direct reports along
09:46:10 22 those lines?

09:46:11 23 A. Yes.

09:46:13 24 Q. Now, do you see, from the HR department or any
09:46:22 25 of the systems that they provide to you, any kind of

09:46:25 1 metrics about how your managers or you, yourself, rate
09:46:34 2 particular -- rate the people that work for them? For
09:46:37 3 example, do you see statistics that show, you know,
09:46:42 4 whether managers rank everybody that works for them as
09:46:46 5 high performers or low performers or how that kind of
09:46:49 6 breaks down statistically?

09:46:52 7 MR. RILEY: Object to the form.

09:46:56 8 THE WITNESS: Your question is a little
09:46:58 9 ambiguous to me. Maybe could you be more specific.

09:47:02 10 MR. SAVERI: Q. So I asked you some
09:47:04 11 questions about the kind of rankings of employees
09:47:07 12 that either work directly for you or for the people
09:47:10 13 that work directly for you. And my question is
09:47:13 14 whether, as part of the HR function at the company,
09:47:17 15 whether there are statistical analyses or metrics
09:47:22 16 that you see that show you how -- or to what extent
09:47:29 17 managers put people in these different categories.

09:47:32 18 MR. RILEY: Object to the form.

09:47:33 19 THE WITNESS: Are you asking me do I see -- in
09:47:37 20 managers that I -- that I have, do I see data that says
09:47:43 21 this is the percentage of people that this manager rated
09:47:47 22 as satisfactory or that this manager rated as exceeds
09:47:51 23 or --

09:47:51 24 MR. SAVERI: Q. Yes.

09:47:52 25 A. -- excels?

09:47:53 1 I do see data that shows -- that shows those
09:47:57 2 percentages.

09:48:07 3 Q. Does that take the form of some kind of report
09:48:10 4 that's run on the compensation or HR application --
09:48:17 5 electronic application that's provided to you or do you
09:48:19 6 get pieces of paper? I mean, how do you see that?

09:48:22 7 A. Well, let me first say I'm not very familiar
09:48:24 8 with Apple's HR systems.

09:48:27 9 Q. Right.

09:48:27 10 A. The things that I see mostly come to me in the
09:48:29 11 form of what looks like an Excel spreadsheet on a piece
09:48:33 12 of paper.

09:48:34 13 Q. Fair enough. And to the best of your
09:48:36 14 recollection, who prepares that? Is that someone in the
09:48:39 15 HR department?

09:48:41 16 A. Yes. I have a person who directly supports me
09:48:45 17 in my organization that I pretty much work with
09:48:49 18 exclusively in our HR group to get those bits of data.

09:48:54 19 Q. Okay. Now, you also talked about other pieces
09:48:59 20 of information that come from I think you said finance.
09:49:05 21 You mentioned that you also receive information that
09:49:07 22 takes the form of budget guidelines.

09:49:10 23 A. Yes, that's correct.

09:49:11 24 Q. And what did you mean by that?

09:49:13 25 A. Well, just -- let's use the example of base

09:49:18 1 salary. So in our -- as a result of our focal process
09:49:25 2 when we go through looking at compensation, we have --
09:49:30 3 we've typically, I think, very consistently given
09:49:37 4 increases to people as part of this -- the end part of
09:49:41 5 this focal process. That happens on a yearly basis.

09:49:47 6 So what that process starts with with respect
09:49:49 7 to base salary has been usually given to me as a
09:49:55 8 percentage of my current team's base salary to be given
09:49:58 9 as an increase as I see fit. But it starts off as a
09:50:06 10 rough number that is calculated as a percentage of the
09:50:08 11 past.

09:50:09 12 Q. And that comes to you from someone in the
09:50:11 13 finance department?

09:50:17 14 A. I should be careful saying that. I think it
09:50:20 15 either comes from finance or HR. But it's basically a
09:50:23 16 financial number.

09:50:25 17 Q. And how do you receive it? I mean, do you
09:50:27 18 access it in some kind of electronic application or is
09:50:31 19 it another Excel spreadsheet that someone hands to you?

09:50:34 20 A. Well, I think that specific number is just
09:50:36 21 given to me as, you know, maybe even an email that says
09:50:43 22 the budget that you are starting to work with is this
09:50:45 23 number.

09:50:48 24 Q. So how many people report -- well, prior to the
09:50:52 25 time you announced your retirement, let's just use that,

09:50:54 1 how many people reported up to you?

09:50:57 2 A. I think in the neighborhood of 2800.

09:51:09 3 Q. Were there -- were there rules or restrictions

09:51:15 4 that were given to you about how you could take that

09:51:19 5 budgeted amount and allocate it and distribute it across

09:51:23 6 the people that reported to you?

09:51:27 7 A. Sorry, say again.

09:51:30 8 Q. Well, were there rules or procedures that were

09:51:35 9 in place that limited you, as a manager, or guided you

09:51:39 10 as a manager, with respect to how your budgeted amount

09:51:44 11 of compensation could be allocated or distributed to the

09:51:49 12 people who reported to you?

09:51:53 13 A. I would say no.

09:51:54 14 Q. So was there any -- so could you have given all

09:51:57 15 that money to one person?

09:51:59 16 A. Well, I think -- I think I could -- I could do

09:52:06 17 anything, probably, but I don't -- I think that it's

09:52:10 18 subject to review by other people.

09:52:13 19 If I did something as ridiculous as took, you

09:52:18 20 know, 4 percent of 2800 people, took that amount of

09:52:25 21 money and gave it to a single person, I think that I

09:52:29 22 probably would have been overruled if I did that. But

09:52:32 23 that represents a very ridiculous case.

09:52:34 24 Q. And I picked one to kind of establish kind of

09:52:37 25 the limit of the concept.

09:52:39 1 A. Yeah.

09:52:39 2 Q. Who, organizationally, had that kind of
09:52:42 3 authority or ability to overrule that kind of decision?

09:52:50 4 A. Well, in our system, a manager's manager can
09:52:55 5 overrule any decision made by a manager that's subject
09:52:58 6 to escalation and all.

09:53:00 7 But in my case, Tim Cook would see what I did.
09:53:02 8 And if he decided that it was not appropriate, he would
09:53:05 9 change it.

09:53:07 10 Q. Now a number -- I think you also mentioned that
09:53:09 11 you received some information regarding -- from HR about
09:53:12 12 levels of people and ranges of salaries?

09:53:14 13 A. Right.

09:53:15 14 Q. What information did you -- could you describe
09:53:18 15 that more for me.

09:53:20 16 A. Okay. To use -- we'll use an example of our
09:53:27 17 engineering -- hardware engineering team.

09:53:30 18 We have levels of individual contributors.
09:53:33 19 Just technical contributors in the company. There are
09:53:37 20 levels of individual contributors. People come into the
09:53:42 21 company maybe right out of school as, say, an ICT II or
09:53:47 22 ICT III. They have a master's degree, maybe they come
09:53:52 23 in as an ICT III. As they gain experience and expertise
09:53:56 24 and all and are promoted by their managers, they move up
09:54:00 25 through the ranks.

09:54:04 1 So if you -- if you looked in our system, you
09:54:06 2 would find our roster of employees as a distribution of
09:54:11 3 all those levels. And what we were provided by our HR
09:54:18 4 team was some range guidelines for those particular
09:54:27 5 levels.

09:54:30 6 I call them guidelines because we -- we looked
09:54:39 7 at them in terms of just sort of an understanding of
09:54:46 8 when we take an individual employee and look at what
09:54:49 9 we're doing with that employee, does what we're doing
09:54:52 10 place that employee higher or lower in the range. But
09:54:57 11 we didn't really use them as, well, if that person is at
09:55:00 12 the top of the range, there is nothing we can do about
09:55:03 13 it. They're at the top of the range.

09:55:06 14 So it's more of an indication of where a
09:55:10 15 person's current salary puts them with respect to the
09:55:13 16 distribution of people at Apple -- the large part of the
09:55:17 17 distribution of people at Apple that fall in that
09:55:21 18 particular level.

09:55:21 19 Q. Okay. So a couple questions about that.

09:55:23 20 When -- is it fair to say that everybody who
09:55:25 21 works for Apple has a title and a salary range
09:55:29 22 associated with that title?

09:55:31 23 MR. RILEY: Object to the form.

09:55:35 24 THE WITNESS: I can't honestly say what happens
09:55:38 25 outside of the part of Apple that I directly manage.

09:55:42 1 MR. SAVERI: Q. Let's just focus on the
09:55:43 2 part -- with respect to the organization that you
09:55:45 3 supervised, is it fair to say that everybody that
09:55:47 4 was in that organization had a job title and a
09:55:50 5 salary range associated with that job title?

09:55:53 6 A. I think they have a job level.

09:55:57 7 Q. Okay.

09:55:58 8 A. Titles are something a little different. They
09:56:01 9 have a job level.

09:56:02 10 Q. I'm sorry. And maybe it makes sense to be
09:56:04 11 relatively precise about that.

09:56:05 12 A. They have a job level and there are guidelines
09:56:09 13 that I was given that cover the distribution of all
09:56:13 14 levels in my organization.

09:56:14 15 Q. And when you were -- did you -- did you use
09:56:20 16 that information as part of your annual determination of
09:56:25 17 compensation for the people that reported to you?

09:56:30 18 MR. RILEY: Object to the form.

09:56:31 19 MR. SAVERI: Q. When I say that, I mean
09:56:33 20 the information that you received on job level and
09:56:35 21 salary ranges associated with job levels.

09:56:37 22 MR. RILEY: Same objection.

09:56:40 23 THE WITNESS: Yeah. I'm a little unclear.
09:56:41 24 When you say "use," in what form do you mean "use"?

09:56:44 25 MR. SAVERI: Q. I was using it maybe

09:56:46 1 euphemistically and broadly. I think you said that
09:56:50 2 you had a role or responsibility for compensation
09:56:54 3 decisions with respect to the people that reported
09:56:56 4 to you.

09:56:56 5 A. Uh-huh.

09:56:57 6 Q. And I asked you about what kind of information
09:56:59 7 you had, and one of the pieces you identified was this
09:57:05 8 information from the HR people about levels of jobs and
09:57:10 9 salary ranges associated with those jobs. So I'm trying
09:57:13 10 to find out from you what use you made of that in your
09:57:19 11 compensation determinations for the people that reported
09:57:21 12 to you.

09:57:21 13 A. I see. So in my practice, most of what I used
09:57:29 14 that for was to look at cases of people who rated
09:57:36 15 relatively low in that distribution. So in our process,
09:57:42 16 we would rank employees based on their contribution to
09:57:46 17 the company. So as I would get involved in the process,
09:57:48 18 I would look, starting with the highest ranking
09:57:51 19 employees -- the ones that contributed the most or were
09:57:54 20 rated higher -- I would look at those and I would look
09:57:58 21 for cases, for example, where someone who rated high
09:58:02 22 might show up relatively low in that range. And that
09:58:05 23 can happen for reasons like a person's relatively new
09:58:11 24 and has contributed a lot but hasn't been in the system
09:58:14 25 and all. So I mainly used it for looking for that kind

09:59:39 1 take time off, their manager has to approve their time
09:59:42 2 off.

09:59:43 3 Q. What about compensation?

09:59:46 4 A. Compensation is a little different in the sense
09:59:50 5 that I believe the HR team ultimately inputs the results
09:59:54 6 that we decide on in Merlin. But as -- in my line
10:00:00 7 management, we don't -- I don't, and I don't think my
10:00:03 8 managers use anything about Merlin as -- or really for
10:00:11 9 anything. They use systems of employee rosters on
10:00:17 10 spreadsheets and compensation on spreadsheets and all.

10:00:21 11 It's a spreadsheet system for my managers, but
10:00:25 12 I believe at the end of the process that's all converted
10:00:29 13 into Merlin because that's how people get their
10:00:32 14 increases and their paychecks.

10:00:34 15 Q. Okay. We talked a little bit about how you
10:00:37 16 reviewed individuals and you looked at the ranges and
10:00:40 17 you talked about two -- you identified two different
10:00:43 18 scenarios where you might pay attention to the ranges.

10:00:50 19 Well, let me ask you this question. If -- to
10:00:53 20 what extent did you have your -- did you have authority
10:00:57 21 to approve base compensation for a particular person
10:01:01 22 outside the established salary ranges for the job level?

10:01:10 23 A. Say again.

10:01:11 24 Q. Okay. To what extent did you have authority to
10:01:14 25 approve a base compensation for a particular employee

10:01:18 1 which was outside the established range for that
10:01:21 2 particular person's job level?

10:01:26 3 A. Yes. I believe I had complete authority.

10:01:28 4 Q. Okay. So if you wanted to pay someone twice
10:01:34 5 what -- what the highest -- what the upper limit is for
10:01:40 6 a particular salary range for that person's job level,
10:01:45 7 you had authority to do that without review from
10:01:49 8 anybody?

10:01:50 9 A. No, I didn't say that.

10:01:51 10 Q. Okay. I'm trying to understand what you meant,
10:01:53 11 then.

10:01:54 12 A. I -- I believe, as a senior vice president in
10:01:58 13 the company, my responsibility was to manage that system
10:02:02 14 every year and produce a result that was in keeping with
10:02:09 15 what our employees did and what they contributed, and to
10:02:14 16 do that in a -- in a fair and equitable way based on
10:02:21 17 what they contributed to the company.

10:02:23 18 I produced a result every year, and my
10:02:26 19 recollection is that that result that I -- that I
10:02:31 20 produced, was approved.

10:02:35 21 Q. Okay.

10:02:36 22 A. I don't recall my manager ever coming back to
10:02:39 23 me and saying you know that thing you did was
10:02:42 24 ridiculous. Now, I don't consider anything that I ever
10:02:45 25 did to be ridiculous, so the fact that he agreed with me

10:02:48 1 seemed to make sense.

10:02:50 2 But I don't -- I do not have the right to do
10:02:55 3 ridiculous things in Apple. And I believe if I did,
10:02:59 4 they would be subject to review by my manager.

10:03:02 5 Q. Do you recall ever -- do you recall any
10:03:05 6 situation where you approved a base salary for someone
10:03:10 7 outside of the salary range established by --

10:03:15 8 A. Frequently.

10:03:16 9 Q. Did you receive any kind of statistical report
10:03:21 10 or metrics from the HR folks about the extent to which
10:03:26 11 that happened on a regular basis?

10:03:32 12 A. As I recall -- no. As I recall, what I'm given
10:03:39 13 is kind of a rather large database of people. My
10:03:44 14 management team produces rankings for various groups of
10:03:50 15 people. But once a person is placed outside of the
10:03:54 16 range, there is no other range. They're outside of the
10:03:58 17 range.

10:03:58 18 Q. Right.

10:03:59 19 A. So I guess you could consider that it's --
10:04:04 20 it's -- well, it's completely our discretion, my
10:04:09 21 discretion, my management team's discretion, about
10:04:12 22 whether what we're doing there is appropriate. Because
10:04:15 23 there is no guideline. We've exceeded the guideline.

10:04:18 24 Q. Right.

10:04:19 25 A. And that happens --

10:04:30 1 (Brief interruption.)

10:04:33 2 THE WITNESS: I'm sorry, I forgot where I was.

10:04:35 3 But I guess my comment, yes. Once we have exceeded
10:04:42 4 guidelines, and that happened frequently, then it was
10:04:45 5 our discretion about whether we were doing the
10:04:48 6 appropriate thing.

10:04:52 7 MR. SAVERI: Q. When you received a
10:04:53 8 spreadsheet for particular employees, did you -- did
10:04:56 9 the material you received indicate the company
10:05:00 10 established salary range for that job level?

10:05:06 11 A. As I recall, I was given these things
10:05:09 12 separately. So the employee roster that included their
10:05:15 13 base salary and other information was given to me as
10:05:17 14 a -- and it also included their level in there, that was
10:05:23 15 in a database that I was given.

10:05:26 16 A separate piece of paper that would say an
10:05:28 17 ICT II, the range for an ICT II was X to Y was a
10:05:34 18 separate thing. I don't recall that ever that
10:05:37 19 information was transposed into this and it was made
10:05:40 20 clear if guidelines were -- if guidelines were exceeded
10:05:45 21 or not.

10:05:46 22 Q. Okay. During the time that we've been talking
10:05:51 23 about when you were at Apple, did you -- did your
10:06:01 24 organization -- let me back up.

10:06:05 25 I think you said you joined Apple when I -- was

1 I, Gina V. Carbone, Certified Shorthand
2 Reporter licensed in the State of California, License
3 No. 8249, hereby certify that the deponent was by me
4 first duly sworn and the foregoing testimony was
5 reported by me and was thereafter transcribed with
6 computer-aided transcription; that the foregoing is a
7 full, complete, and true record of said proceedings.

8 I further certify that I am not of counsel or
9 attorney for either of any of the parties in the
10 foregoing proceeding and caption named or in any way
11 interested in the outcome of the cause in said caption.

12 The dismantling, unsealing, or unbinding of
13 the original transcript will render the reporter's
14 certificates null and void.

15 In witness whereof, I have hereunto set my
16 hand this day: April 23, 2013.

17 _____ Reading and Signing was requested.

18 _____ Reading and Signing was waived.

19 X Reading and signing was not requested.

20

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GINA V. CARBONE

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CSR 8249, CRR, CCRR

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